

ABROAD

PARIS

Trouble in Automobiles

The French automobile industry is under heavy pressure from both foreign competition and domestic maneuvers to avoid job cuts, which adds up to a crisis of confidence in the future of French automotive achievement. Something like a million Frenchmen and Frenchwomen depend directly or indirectly on the production of state-owned Renault and private-sector Peugeot, the world's fifth and seventh largest car manufacturers respectively. In the last three years, in competition with American, German, and Japanese cars, these two companies have lost almost \$1.2 billion. They badly need to cut their employee rolls and to modernize their equipment and management. About 230,000 employees work directly for these two firms, and the total will have to be reduced by 30 per cent in the coming years if they are to remain competitive. This is bad news for any economy but particularly bad for the French socialist government. French car makers are up front with their technology and design, but they have failed to generate sufficient profits to reinvigorate plants despite large loans from nationalized banks and from the government itself. By contrast, the American car industry cut its work force by one-third between 1979 and 1982; in the first six months of 1984 it was able to announce profits of \$6.5 billion. To give an example of French job sensitivity, the government has rejected a plan devised by Citroën, a subsidiary of Peugeot, to cut its 44,000-man work force by six thousand, most of which would represent early retirements and voluntary departures. The official reason was that conditions in the industry and the market had not changed sufficiently to warrant such a step, but the real reason was the fear of inflicting another large-scale job loss on the French economy, not to mention French opinion.

PALERMO

Being Sicilian

Like many other European countries, Italy is plagued occasionally by demonstrations of regional feistiness. Lately, political groups in Sardinia have shown restiveness in respect to the central authority in Rome. But it was nevertheless a shock for the government to hear a leading Sicilian politician speak recently at a trade fair of "the Sicilian nation" and dismiss the rest of Italy as "a geographical expression waiting for nationhood." Regional minister Carlo Vizzini chose to rebuke the speaker by implying that being Sicilian, *sicilianità*, was another way of describing the struggle against backwardness, which, he continued, "ought to be conducted by using all the resources disposable to us and not by exhibitionism that is absolutely out of place."

CONAKRY

And Now the South Atlantic

The Soviet Union is reported to be developing a naval air station in the minute island country of São Tomé and Príncipe in the Gulf of Guinea off the west coast of Africa. From there, long-distance reconnaissance planes, formerly based here in Guinea itself, would be able to sweep vast stretches of the South Atlantic, a region only casually patrolled by Western aircraft. São Tomé and

Príncipe were formally part of the Portuguese colonial empire. With a population of less than one hundred thousand, they form one of the smallest of the microstates and have attracted little attention, other than having an extreme left-wing government. Lying two hundred miles off the coast of the continent, they are believed to harbor several hundred Russian and Cuban soldiers and technicians. A certain number of troops from Angola are also thought to be there in training. The same reports say that the local airfield is being developed into a facility for long-range aircraft. Such planes formerly used the big runways of the Conakry airport until landing rights were withdrawn by the Guinean government.

WARSAW

The Workers' Scab

Communist Poland has broken its agreement with British coal miners to limit exports of Polish coal to Britain. The British government has been locked in a fierce struggle with the coal miners who have been on strike for seven months without any agreement in sight. Originally the agreement between the Polish authorities and Arthur Scargill, mine union president, had stipulated a limit of 750,000 tons exported to Britain this year. But by the end of August, Poland had already shipped 900,000 tons.

MUNICH

To the Lip

It had to happen sometime, but it took the huge orgy of the Oktoberfest in Munich to reveal the fact that one of the leading brewers in the country does not fill his customers' liter-sized steins to the brim with beer. The brewer, Richard Süssmeier, has been fined four thousand marks (\$1,300) for this practice. His friends say he is a victim of an unfair campaign being carried on against short beer. Because of the foam, they continue, it is difficult to fill a stein completely to the brim, and moreover the task takes a lot of time. But Munich officials claim they counted 198 liter steins sold from a 152-liter barrel.



"Take it from me, John. Being rich beyond the dreams of avarice isn't enough anymore."

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